

Disclosure pursuant to the “Conflict of Interests” section of the announcement

As at the date of this announcement, Mr Quek holds approximately 2.63% direct interest in Serrano Limited (“**Serrano**”). In addition, Mr Quek and the estate of his late father, Mr Quek Meng Liat, are deemed interested in approximately 0.52% of the total shares in the capital of Serrano through their aggregate 36.75% shareholding in Sinbor Company (Private) Limited (“**Sinbor**”), which is also a 51%-owned subsidiary of Serrano, pursuant to Section 7 of the Companies Act (Chapter 50) of Singapore. Serrano is in the midst of acquiring the remaining 49% interest in Sinbor from Sinbor’s shareholders including Mr Quek and the estate of his late father.

KHL Marketing Asia-Pacific Pte. Ltd. (“**KHLMAP**”), a wholly-owned subsidiary of the Group, has, in May 2019, entered into a contract with Serrano Holdings Pte Ltd (“**SHPL**”), a wholly-owned subsidiary of Serrano, for the supply of materials by SHPL to KHLMAP for an ongoing project of the Group (the “**Contract**”). The Contract is expected to end in April 2020.

The Board, in consultation with the Nominating Committee, is of the view that the interests of Mr Quek and his associates in Serrano do not pose any conflict of interests with the Group as Mr Quek confirmed that as at the date of this announcement:

- (i) he and his associates are only passive investors of Serrano;
- (ii) he and his associates do not hold any directorship or management role in Serrano and SHPL; and
- (iii) he and his associates do not, directly and/or indirectly, make any executive decisions for, or participate in the day-to-day management of Serrano and SHPL.

Should there be any conflict of interest arising, of which Mr Quek is reasonably aware in respect of himself and/or his associates, Mr Quek will disclose such conflict of interest to the Company (in accordance to the Group’s policy on Conflict of Interest) as soon as he is so reasonably aware so that he may recuse himself from related discussions and/or decisions and resolutions as most appropriate.

Disclosure pursuant to Paragraph (b) of the announcement

Mr Quek is a director of Charis Electric Pte. Ltd. (“**CEPL**”), a joint venture company of Charisma Energy Services Limited (“**Charisma Energy**”). On 30 December 2018, Charisma Energy announced its decision to exit the electricity retailing business for commercial reasons and placed CEPL under creditors’ voluntary liquidation. Further details in relation to the liquidation can be found in Charisma Energy’s SGXNet announcement dated 30 December 2018.

Disclosure pursuant to Paragraphs (j)(i) and (j)(iv) of the announcement

As mentioned above, Mr Quek is a minority shareholder of Serrano and he was the managing director of Sinbor from September 2012 to December 2019. An independent reviewer was appointed in November 2019 to review and identify, amongst others, any potential breaches of listing rules and relevant laws and regulations in connection to the allegations of improprieties and concerns relating to transactions, businesses and/or conduct of management that were relevant to the Serrano group’s old business prior to the implementation of the schemes of arrangement. The said independent review is still ongoing as at the date of this appointment announcement. Sinbor was acquired after the implementation of the scheme of arrangement by Serrano and Mr Quek and his associates are at no time the subjects of the said independent review. He facilitated the independent review, when he was still employed with Sinbor, together with other members of the board of Serrano.